

**COUNTY OF ERIE,
PENNSYLVANIA**

SINGLE AUDIT REPORT

YEAR ENDED DECEMBER 31, 2011

COUNTY OF ERIE, PENNSYLVANIA
SINGLE AUDIT REPORT
YEAR ENDED DECEMBER 31, 2011

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Zelenkofske Axelrod LLC

INDEPENDENT AUDITORS' REPORT ON THE SUPPLEMENTARY SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS, SCHEDULE OF PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE AWARDS

Members of County Council
County of Erie, Pennsylvania

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of COUNTY OF ERIE, PENNSYLVANIA, as of and for the year ended December 31, 2011, which collectively comprise the COUNTY OF ERIE, PENNSYLVANIA's basic financial statements and have issued our report thereon dated June 15, 2012. These financial statements are the responsibility of the COUNTY OF ERIE, PENNSYLVANIA's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Erie County Gaming Revenue Authority, which represents 55.8%, 68.19% and 15.63%, respectively, of the assets, net assets, and revenues of the discretely presented Component Units. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Erie County Gaming Revenue Authority, is based solely on the report of the other auditor.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of Pleasant Ridge Manor and the Erie County Gaming Revenue Authority were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the COUNTY OF ERIE, PENNSYLVANIA's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and Schedule of Pennsylvania Department of Public Welfare are presented for purposes of additional analysis as required by the United States Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, the Pennsylvania Department of Public Welfare Single Audit Supplement, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Zelenkofske Axelrod LLC

ZELENKOFSCHE AXELROD LLC

Pittsburgh, Pennsylvania
June 15, 2012

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COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

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Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Federal CFDA Number	(Accrued) / Deferred Revenue at December 31, 2010	Federal Grants Receipts	Expenditures	Accrued / (Deferred) Revenue at December 31, 2011
U.S. Department of Housing and Urban Development						
Direct Federal Payments:						
Community Development Block Grant						
2008 Millcreek CDBG	B-08-MC42-0107	14.218	\$ (54,027)	\$ 133,379	\$ 79,352	\$ -
2009 Millcreek CDBG	B-09-MC42-0107	14.218	(1,277)	13,923	12,646	-
2010 Millcreek CDBG	B-10-MC42-0107	14.218	(10,409)	253,933	243,524	-
2011 Millcreek CDBG	B-11-MC42-0107	14.218		17,968	23,528	5,560
Total CFDA # 14.218			(65,713)	419,203	359,050	5,560
Community Development Block Grant / State's Program						
2008 County CDBG	B08DC420001	14.228	(693)	17,390	16,697	-
2008 McKean CDBG	B08DC420001	14.228	(898)	17,158	16,260	-
2009 County CDBG	B09DC420001	14.228	(7,876)	95,403	87,527	-
2009 McKean CDBG	B09DC420001	14.228	-	127,895	127,895	-
2009 Northeast CDBG	B09DC420001	14.228	(44)	96,632	96,588	-
2010 County CDBG	B10DC420001	14.228	(5,889)	336,965	335,543	4,467
2010 Girard CDBG	B10DC420001	14.228	(1,221)	178,639	177,418	-
2010 McKean CDBG	B10DC420001	14.228	(528)	106,524	105,996	-
2010 Northeast CDBG	B10DC420001	14.228	(520)	65,916	65,396	-
2011 Girard CDBG	B11DC420001	14.228		30,348	30,348	-
2011 County CDBG	B11DC420001	14.228		18,004	18,004	-
Total CFDA # 14.228			(17,669)	1,090,874	1,077,672	4,467
Community Development Block Grant / State's Program						
2009 Girard CDBG-ARRA	B09DY420001	14.255	-	9,204	9,204	-
Total CFDA # 14.255 - ARRA			-	9,204	9,204	-
Emergency Shelter						
DCED 2009 Emerg. Shelter 7/1/2010 to 6/30/2011	C-0000-46069	14.231		110,794	110,794	-
Total Emergency Shelter CFDA # 14.231			-	110,794	110,794	-
Supporting Housing Program						
Hope for the Homeless 07/01/10 to 6/30/11	PA0329B3E050802	14.235	(31,983)	231,946	199,963	-
Hope for the Homeless 07/01/11 to 6/30/12	PA0329B3E051003	14.235	-	118,017	156,001	37,984
Transitional Living Center 7/1/2010 to 6/30/2011	PA0328B3E050800	14.235	(104,110)	298,113	194,003	-
Transitional Living Center 7/1/2011 to 6/30/2012	PA0328B3E050800	14.235	-	35,585	35,585	-
Transitional Living Plus 7/1/2011 to 6/30/2012	PA0328B3E051001	14.235	-	62,409	84,812	22,403
Reach 7/1/2010 to 6/30/2011 Year 2008	PA0330B3E050801	14.235	(69,663)	69,663	-	-
Reach 7/1/2010 to 6/30/2011 Year 2009	PA0330B3E050802	14.235	(37,663)	284,062	246,399	-
Reach 7/1/2011 to 6/30/2012 Year 2009	PA0330B3E050802	14.235	-	153,401	208,257	54,856
Reach 7/1/2011 to 6/30/2012 Year 2010	PA0330B3E051003	14.235	-	-	45,475	45,475
New Life 7/1/2010 to 6/30/2011 Year 2009	PA0426B3E050901	14.235	(18,922)	104,218	85,296	-
New Life 7/1/2011 to 6/30/2012 Year 2010	PA 0426B3E051002	14.235	-	60,061	92,400	32,339
Lighting the Candle 7/1/2010 to 6/30/2011 Year 2009	PA 0463B3E050900	14.235	-	62,672	62,672	-
Lighting the Candle 7/1/2011 to 6/30/2012 Year 2009	PA 0463B3E050900	14.235	-	68,519	100,752	32,233
Total HUD CFDA # 14.235			(262,341)	1,548,666	1,511,615	225,290
Shelter Plus Care Program						
Shelter Plus Care 1 2009 7/1/2010 to 6/30/2011	PA0331C3E050802	14.238	(26,730)	123,916	97,186	-
Shelter Plus Care 1 2010 7/1/2010 to 6/30/2011	PA0331C3E051003	14.238	-	54,610	54,610	-
Shelter Plus Care 1 2010 7/1/2011 to 6/30/2012	PA0331C3E051003	14.238	-	140,323	167,046	26,723
Shelter Plus Care 2 2009 7/1/2010 to 6/30/2011	PA0332C3E050802	14.238	(11,217)	68,985	57,768	-
Shelter Plus Care 2 2009 7/1/2011 to 6/30/2012	PA0332C3E050802	14.238	-	22,201	22,201	-
Shelter Plus Care 2 2010 7/1/2011 to 6/30/2012	PA0332C3E051003	14.238	-	37,527	48,104	10,577
Shelter Plus Care 3 2009 7/1/2010 to 6/30/2011	PA0427C3E050901	14.238	(10,203)	69,970	59,767	-
Shelter Plus Care 3 2010 7/1/2011 to 6/30/2012	PA0427C3E051002	14.238	-	57,637	68,973	11,336
SPC Year 2008 Finally Home 7/1/2010 to 6/30/2011	PA0327C3E050800	14.238	(1,050)	17,200	16,150	-
SPC Year 2008 Finally Home 7/1/2011 to 6/30/2012	PA0327C3E050800	14.238	-	24,310	29,560	5,250
SPC Stairways ACT Year 2009 7/1/2010 to 6/30/2011	PA0464C3E050900	14.238	-	3,547	3,547	-
SPC Stairways ACT Year 2009 7/1/2011 to 6/30/2012	PA0464C3E050900	14.238	-	3,945	4,766	821
Total Shelter Plus Care CFDA # 14.238			(49,200)	624,171	629,678	54,707

* Denotes tested as a Major Program

See accompanying Notes to Schedules of Expenditures of Awards

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2011

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Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Federal CFDA Number	(Accrued) / Deferred Revenue at December 31, 2010	Federal Grants Receipts	Expenditures	Accrued / (Deferred) Revenue at December 31, 2011
Homelessness Prevention and Rapid Re-Housing Program (Recovery Act Funded)						
HUD 2008 Homeless Asst Rapid Reh - ARRA Grant 1	S-09-MY-42-0013	14.257				
Grant Period 7/1/2010 to 6/30/2011 Year 2008			\$ (236,250)	\$ 395,786	\$ 188,703	\$ 29,167
Grant Period 7/1/2011 to 6/30/2012 Year 2008			-	25,443	44,556	19,113
HUD 2009 Homeless Asst Rapid Reh - ARRA Grant 2	C000046148	14.257				
Grant Period 7/1/2010 to 6/30/2011			(2,153)	64,871	62,718	-
Grant Period 7/1/2011 to 6/30/2012			-	32,480	34,078	1,598
HUD 2009 Homeless Asst Rapid Reh - ARRA Grant 3	C000046137	14.257				
Grant Period 7/1/2010 to 6/30/2011			-	39,465	39,465	-
Grant Period 7/1/2011 to 6/30/2012			-	-	-	-
Total HPRP CFDA #14.257			(238,403)	558,045	369,520	49,878
Fair Housing Assistance Program						
Program Year 10-01-2007 to 10-01-2008	FF203K084249	14.401	-	-	1,591	(1,591)
Need Program Year						
Total U.S. Department of Housing and Urban Development			(633,326)	4,360,957	4,089,124	338,311
Passed Through the Pennsylvania Department of Public Welfare:						
Temporary Assistance for Needy Families						
Children and Youth						
Contract Period 07/01/2010 to 06/30/2011	N/A	93.558	(1,065,040)	1,065,040	288,823	-
Contract Period 07/01/2011 to 06/30/2012	N/A	93.558	-	288,822	685,561	396,739
Total Children and Youth CFDA # 93.558			(1,065,040)	1,353,862	974,384	396,739
CCIS						
Contract Period 07/01/2010 to 06/30/2011	N/A	93.558	-	294,755	294,755	-
Contract Period 07/01/2011 to 06/30/2012	N/A	93.558	-	363,406	363,406	-
Total CCIS CFDA # 93.558			-	658,161	658,161	-
Mental Health and Mental Retardation 07/1/10 to 6/30/11	N/A	93.558	11,231	56,155	67,386	-
Mental Health and Mental Retardation 07/1/11 to 6/30/12	N/A	93.558	-	-	-	-
Total Mental Health and Mental Retardation CFDA # 93.558			11,231	56,155	67,386	-
Total Temporary Assistance for Needy Families CFDA # 93.558			(1,053,809)	2,068,178	1,699,931	396,739
Child Welfare Services Title IV-B						
Children and Youth						
Contract Period 07/01/2010 to 06/30/2011	N/A	93.645	-	71,900	71,900	-
Contract Period 07/01/2011 to 06/30/2012	N/A	93.645	-	71,900	71,900	-
Total Children and Youth Title IV-B CFDA# 93.645			-	143,800	143,800	-
Foster Care Title IV-E						
Children and Youth						
Contract Period 07/01/2009 to 06/30/2010	N/A	93.658	(58,314)	58,314	-	-
Contract Period 07/01/2009 to 06/30/2010 - ARRA	N/A	93.658	(6,743)	6,743	-	-
Contract Period 07/01/2010 to 06/30/2011	N/A	93.658	(5,336,604)	3,634,945	1,691,458	3,393,117
Contract Period 07/01/2010 to 06/30/2011 - ARRA	N/A	93.658	(116,437)	116,437	-	-
Contract Period 07/01/2011 to 06/30/2012 -	N/A	93.658	-	-	1,691,459	1,691,459
Total Children and Youth CFDA # 93.658			(5,518,098)	3,816,439	3,382,917	5,084,576
Children and Youth AFCARS						
AFCARS	N/A	93.658	-	26,879	26,879	-
Total Children and Youth AFCARS CFDA # 93.658			-	26,879	26,879	-

* Denotes tested as a Major Program

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2011

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Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Federal CFDA Number	(Accrued) / Deferred Revenue at December 31, 2010	Federal Grants Receipts	Expenditures	Accrued / (Deferred) Revenue at December 31, 2011
Passed through the Pennsylvania Department of Public Welfare (Continued):						
General Fund Title IV-E						
Contract Period 07/01/2010 to 06/30/2011	N/A	93.658	\$ (44,723)	\$ 56,088	\$ 11,365	\$ -
Contract Period 07/01/2011 to 06/30/2012			-	-	5,667	5,667
Total General Fund CFDA # 93.658			(44,723)	56,088	17,032	5,667
Total CFDA # 93.658			(5,562,821)	3,899,406	3,426,828	* 5,090,243
Adoptions Assistance						
Children and Youth						
Contract Period 07/01/2008 to 06/30/2009		93.659	(13,094)	13,094		
Contract Period 07/01/2008 to 06/30/2009 - ARRA		93.659	(214)	214		
Contract Period 07/01/2009 to 06/30/2010	N/A	93.659	(14,380)	14,380	-	-
Contract Period 07/01/2009 to 06/30/2010 - ARRA	N/A	93.659	(1,880)	1,880	-	-
Contract Period 07/01/2010 to 06/30/2011	N/A	93.659	-	3,896,960	3,896,960	-
Contract Period 07/01/2010 to 06/30/2011 - ARRA	N/A	93.659	-	285,193	285,193	-
Total Children and Youth CFDA # 93.659			(29,568)	4,211,721	4,182,153	* -
Child Care and Development Block Grant						
CCIS ARRA Child Care						
Contract Period 07/01/2010 to 06/30/2011		93.713	-	-	-	-
Contract Period 07/01/2011 to 06/30/2012		93.713	-	357,987	357,987	-
Total CCIS CFDA # 93.713			-	357,987	357,987	* -
Child Care and Development Block Grant						
CCIS						
Contract Period 07/01/2010 to 06/30/2011	N/A	93.575	-	2,844,593	2,844,593	-
Contract Period 07/01/2011 to 06/30/2012	N/A	93.575	-	3,446,926	3,446,926	-
Total CCIS CFDA # 93.575			-	6,291,519	6,291,519	* -
Child Care Mandatory and Matching Funds of the Child Care and Development Fund						
CCIS						
Contract Period 07/01/2010 to 06/30/2011	N/A	93.596	-	2,703,091	2,703,091	-
Contract Period 07/01/2011 to 06/30/2012	N/A	93.596	-	634,027	634,027	-
Total CCIS CFDA # 93.596			-	3,337,118	3,337,118	* -
Social Services Block Grant						
CCIS						
Contract Period 07/01/2010 to 06/30/2011	N/A	93.667	-	581,667	581,667	-
Contract Period 07/01/2011 to 06/30/2012	N/A	93.667	-	453,320	453,320	-
Total CCIS CFDA 93.667			-	1,034,987	1,034,987	-
Children and Youth						
Contract Period 07/01/2010 to 06/30/2011	N/A	93.667	-	130,399	130,399	-
Contract Period 07/01/2011 to 06/30/2012	N/A	93.667	-	130,400	130,400	-
Total Children and Youth CFDA 93.667			-	260,799	260,799	-
Mental Health SSBG 7/1/2010 to June 30, 2011	N/A	93.667	43,838	219,190	263,028	-
Mental Health SSBG 7/1/2011 to June 30, 2012	N/A	93.667	-	219,191	175,353	(43,838)
Total Mental Health			43,838	438,381	438,381	(43,838)
Mental Retardation SSBG 7/1/2010 to June 30, 2011	70177	93.667	64,393	128,786	193,179	-
Mental Retardation SSBG 7/1/2011 to June 30, 2012	70177	93.667	-	128,786	103,029	(25,757)
Total Mental Health			64,393	257,572	296,208	(25,757)
Total Social Services Block Grant CFDA # 93.667			108,231	1,991,739	2,030,375	* (69,595)

* Denotes tested as a Major Program

See Accompanying Notes to Schedules of Expenditures of Awards

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2011

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Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Federal CFDA Number	(Accrued) / Deferred Revenue at December 31, 2010	Federal Grants Receipts	Expenditures	Accrued / (Deferred) Revenue at December 31, 2011
Passed Through the Pennsylvania Department of Public Welfare (Continued):						
Child Support Enforcement						
Access and Visitation Grant	4100046254	93.563	\$ (37,862)	\$ 87,063	\$ 82,191	\$ 32,990
Total Access and Visitation			(37,862)	87,063	82,191	32,990
Child Support Enforcement						
Nurse Family Partnership - 7/1/10-6/30/11	4100045186	93.563	-	154,858	154,858	-
Nurse Family Partnership - 7/1/10-6/30/11	4100045186	93.563	-	154,857	154,857	-
Total Nurse Family Partnership			-	309,715	309,715	-
Child Support Enforcement						
Domestic Relations						
Contract Year 01/01/2010 to 12/31/2010	M256001027	93.563	(647,501)	647,386	(115)	-
Contract Year 01/01/2011 to 12/31/2011	M256001027	93.563	-	2,091,769	2,764,313	672,544
Total Domestic Relations Child Support Enforcement			(647,501)	2,739,155	2,764,198	672,544
Total CFDA # 93.563			(685,363)	3,135,933	3,156,104	705,534
Foster Care Independent Program						
Independent Living						
Contract Period 07/01/2010 to 06/30/2011	N/A	93.674	(3,347)	93,082	85,989	(3,766)
Contract Period 07/01/2011 to 06/30/2012	N/A	93.674	3,766	93,082	96,848	-
Total Independent Living CFDA # 93.674			419	186,164	182,817	(3,766)
Medical Assistance Program:						
Medical Assistance Transportation Program	6300220825	93.778	-	358,553	358,553	-
Medical Assistance Transportation Program	6300220925	93.778	-	323,254	323,254	-
Mental Retardation Waiver Administration 7/1/2010 to 6/30/2011	70175	93.778	(4,031)	186,912	182,881	-
Mental Retardation Waiver Administration 7/1/2011 to 6/30/2012	70175	93.778	-	186,943	194,087	7,144
Mental Retardation TSM Administration 7/1/2010 to 6/30/2011	70175	93.778	(9,893)	19,787	9,894	-
Mental Retardation TSM Administration 7/1/2011 to 6/30/2012	70175	93.778	-	-	9,894	9,894
Early Intervention Waiver Administration 7/1/2009 to 6/30/2010	70184	93.778	(44,352)	44,352	-	-
Early Intervention Administration 7/1/2010 to 6/30/2011	70184	93.778	1,394	-	1,394	-
Early Intervention Administration 7/1/2011 to 6/30/2012	70184	93.778	-	1,394	1,394	-
Early Intervention Infant Toddler Family Waiver - ARRA 7/1/2009 to 6/30/2010	77850	93.778	(9,233)	9,233	-	-
Mental Health Medicaid Admin Claims 7/1/09 to 6/30/2010	70127	93.778	(9,453)	9,453	-	-
Mental Health Medicaid Admin Claims 7/1/010 to 6/30/2011	70127	93.778	(4,272)	7,022	6,701	3,951
Mental Health Medicaid Admin Claims 7/1/11 to 6/30/2012	70127	93.778	-	-	6,069	6,069
Children and Youth Medicaid July 2010 to June 2011	N/A	93.778	(7,165)	122,377	120,969	5,757
Children and Youth Medicaid July 2011 to June 2012	N/A	93.778	(5,757)	109,959	116,167	11,965
Public Health Childhood Lead Poisoning Prevention	4100044818	93.778	(503)	2,814	2,777	466
Total Medical Assistance Program CFDA # 93.778			(93,265)	1,382,053	1,334,034	45,246
National Bioterrorism Hospital Preparedness Program						
Mental Health/Mental Retardation Hospital Preparedness Crisis Counseling 7/1/2010 to 6/30/2011	80222	93.889	96,477	31,300	86,837	(40,940)
Mental Health/Mental Retardation Hosp Preparedness Crisis Counseling 7/1/2011 to 6/30/2012	80222	93.889	-	-	1,110	1,110
Total Bioterrorism Hospital Preparedness Program CFDA # 93.889			96,477	31,300	87,947	(39,830)
Project for Assistance in Transition from Homelessness (PATH)						
Mental Health PATH Homeless Grant 7/1/2010 to 6/30/2011	70154	93.150	20,150	44,392	63,272	1,270
Mental Health PATH Homeless Grant 7/1/2011 to 6/30/2012	70154	93.150	-	44,392	35,514	(8,878)
Total CFDA # 93.150			20,150	88,784	98,786	(7,608)

* Denotes tested as a Major Program

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2011

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Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Federal CFDA Number	(Accrued) / Deferred Revenue at December 31, 2010	Federal Grants Receipts	Expenditures	Accrued / (Deferred) Revenue at December 31, 2011
Passed Through the Pennsylvania Department of Public Welfare (Continued):						
Substance Abuse and Mental Health Services Projects						
of Regional and National Significance						
Mental Health Capitalization of POMS 7/1/10 to 6/30/11	N/A	93.243	\$ 39,715	\$ 90,000	\$ -	\$ (129,715)
Drug and Alcohol SPF-SIG - 7/1/10 - 6/30/11	N/A		45,000	54,000	99,000	-
Drug and Alcohol SPF-SIG - 7/1/11 - 6/30/12	N/A	93.243	-	45,000	54,000	9,000
Total CFDA # 93.243			84,715	189,000	153,000	(120,715)
Block Grants for Community Mental Health Services						
Mental Health Comm. MHS Block Grant 7/1/2010 to 6/30/2011	N/A	93.958	78,248	149,092	155,201	72,139
Mental Health Comm. MHS Block Grant 7/1/2011 to 6/30/2012	N/A	93.958	-	168,143	92,514	(75,629)
Total CFDA # 93.958			78,248	317,235	247,715	(3,490)
Total U.S. Department of Health and Human Services						
			(7,036,586)	27,631,937	26,730,114	5,992,758
Passed Through the Pennsylvania Department of Health:						
Preventive Health and Health Services Block Grant						
Injury Prevention 7/01/08 to 6/30/11	4100042137	93.991	(11,099)	49,618	38,519	-
Preventive Health and Health Services Block Grant						
Injury Prevention 7/01/11 to 6/30/14	4100042137	93.991	-	17,421	40,729	23,308
Total Preventive and Health Service Block Grant			(11,099)	67,039	79,248	23,308
US Center for Disease Control						
Osteoporosis, Physical Activity						
Nutrition and Cardiovascular						
Contract Period 07/01/2008 to 06/30/2011	4100042520	93.991	(11,840)	41,756	29,916	-
			(11,840)	41,756	29,916	-
Safe and Healthy Communities						
Contract Period 07/1/11 to 6/30/2014	4100042520	93.991		15,267	33,518	18,251
Total CFDA # 93.991			(22,939)	124,062	142,682	41,559
HIV Prevention Activities - Health Department Bases						
Aids Activity Contract Period 1-1-2010 to 12-31-2011		93.943	(19,043)	64,995	58,585	12,633
Total CFDA # 93.943			(19,043)	64,995	58,585	12,633
Maternal and Child Health Services Block Grant						
Contract Period 10/01/2010 to 06/30/2011	4100052363	93.994	(55,438)	161,198	105,760	-
Contract Period 10/01/2011 to 06/30/2012	4100052363R1	93.994	-	23,436	119,278	95,842
Total CFDA # 93.994			(55,438)	184,634	225,038	95,842
Childhood Lead Poisoning Prevention						
Contract Period 07/01/2010 to 06/30/2012	4100050699	93.197	(15,755)	88,183	87,029	14,601
Total CFDA # 93.197			(15,755)	88,183	87,029	14,601
Public Health Emergency Preparedness						
Public Health Preparedness and Response for Bioterrorism						
Contract Period 08/10/10-08/09/11	4100049813RI	93.069	(49,139)	183,914	134,775	-
Contract Period 08/10/11-08/09/12	4100055379	93.069	-	32,518	86,917	54,399
Total CFDA # 93.069			(49,139)	216,432	221,692	54,399
Project Grants and Cooperative Agreements for Tuberculosis Control Programs Tuberculosis						
Contract Period 07/01/2006 to 07/31/2009	4100032453	93.116	(11,922)	17,313	5,391	-
Immunization and Vaccine for Children						
Contract Period 07/01/2009 to 06/30/12	4100047086	93.268	(86,761)	347,285	367,863	107,339
Total CFDA # 93.268			(86,761)	347,285	367,863	107,339
Block Grants for Prevention and Treatment of Substance Abuse						
Drug and Alcohol						
Contract Period 07/01/2010 to 06/30/2011	N/A	93.959	655,175	798,712	1,453,887	-
Contract Period 07/01/2011 to 06/30/2012	N/A	93.959	-	655,175	786,210	131,035
Total CFDA # 93.959			655,175	1,453,887	2,240,097 *	131,035
Total Department of Health			394,178	2,496,791	3,348,377	457,408

* Denotes tested as a Major Program

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2011

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Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Federal CFDA Number	(Accrued) / Deferred Revenue at December 31, 2010	Federal Grants Receipts	Expenditures	Accrued / (Deferred) Revenue at December 31, 2011
<u>US Department of Agriculture</u>						
<u>Passed Through Pennsylvania Department of Agriculture</u>						
State Administration Matching Grants for the Supplemental Nutrition Assistance Program						
CCIS						
Contract Period 07/01/10 to 06/30/2011	N/A	10.561	\$ -	\$ 489,158	\$ 489,158	\$ -
Contract Period 07/01/11 to 06/30/2012	N/A	10.561	-	472,979	472,979	-
Total CFDA # 10.561			-	962,137	962,137 *	-
Emergency Food Assistance Program (Administrative Cost)						
Contract Period 10/01/2009 to 09/30/2010	4100035779	10.568	(45,536)	45,536	-	-
Contract Period 10/01/2010 to 09/30/2011	4100035779	10.568	(20,807)	58,164	46,244	8,887
ARRA-Contract Period 10/01/2009 to 09/30/2010	4100035779	10.568	(2,571)	2,571	-	-
	ME441868					
Temporary Emergency Food Program						
10/01/2011 to 09/30/2011	4100035779	10.568	-	-	13,850	13,850
10/01/2011 to 09/30/2011	4100035779	10.568	-	-	13,849	13,849
Total CFDA # 10.568			(68,914)	106,271	73,943	36,586
Emergency Food Assistance Program (Food Commodities)						
Value of USDA Donated Commodities						
Value of USDA Donated Commodities	ME 441464					
Contract Period 10/01/2010 to 09/30/2011	N/A	10.569	14,451	300,012	248,711	(65,752)
Contract Period 10/01/2011 to 09/30/2012	N/A	10.569	65,752	27,179	59,627	(33,304)
Total CFDA # 10.569			80,203	327,191	308,338	(99,056)
Total Pennsylvania Department of Agriculture			11,289	1,395,599	1,344,418	(62,470)
<u>US Department of Education</u>						
<u>Passed Through Pennsylvania Department of Education</u>						
Grants to States - Institute of Museum and Library Services						
LSTA - Outreach Services						
Contract Period 10/01/2010 to 09/30/2011	202-109008	45.310	956	42,000	42,956	-
Contract Period 10/01/2010 to 09/30/2011	202-119008	45.310	-	10,500	9,641	(859)
Total CFDA # 45.310			956	52,500	52,597	(859)
Special Education - Grants for Infants and Families						
Mental Health and Mental Retardation						
Early Interven. Part C Disabled 7/01/2010 to 6/30/2011	70710	84.181	-	155,510	155,510	-
Early Interven. Part C Disabled 7/01/2011 to 6/30/2012	70710	84.181	-	155,771	141,940	(13,831)
Total CFDA # 84.181			-	311,281	297,450	(13,831)
Special Education - Grants for Infants and Families						
Mental Health and Mental Retardation						
Early Interven. Part C Disabled 7/01/2010 to 6/30/2011	77875	84.393A	57,007	57,007	-	(114,014)
ARRA						
Early Interven. Part C Disabled 7/01/2011 to 6/30/2012	77875	84.393A	-	110,624	-	(110,624)
ARRA						
EI Admin Pelican Readiness						
Early Interven. Part C Disabled 7/01/2010 to 6/30/2011	77875	84.393A	18,087	18,087	-	(36,174)
ARRA						
Total CFDA # 84.393			75,094	185,718	-	(260,812)
Safe and Drug-Free School and Communities - State						
Drug and Alcohol - Drug Free School						
Contract Period 07/01/2008 to 06/30/2009	N/A	84.186	(4,638)	4,638	-	-
Total CFDA # 84.186			(4,638)	4,638	-	-
Total Department of Education			71,412	554,137	350,047	(275,502)
<u>US Equal Employment Opportunity Commission</u>						
Equal Employment Opportunity						
Contract Period 10-01-2008 to 09/30/2009	N/A	30.001	(5,500)	5,500	-	-
Total CFDA # 30.001			(5,500)	5,500	-	-
Total US Equal Employment Opportunity Commission			(5,500)	5,500	-	-

* Denotes tested as a Major Program

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2011

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Federal Grantor/Pass-Through Grantor/Program Title	Grant Number	Federal CFDA Number	(Accrued) / Deferred Revenue at December 31, 2010	Federal Grants Receipts	Expenditures	Accrued / (Deferred) Revenue at December 31, 2011
Environmental Protection Agency						
Beach Monitoring and Notification Program Implementation Grant						
Lake Erie Beach Monitoring and Notification Program						
Contract Period 01/01/2010 to 12/31/2010	CU-97334705-0	66.472	\$ (8,367)	\$ 8,367	\$ -	\$ -
Contract Period 01/01/2011 to 12/31/2012	CU-97334706-0	66.472	-	278,348	313,485	35,137
Total Erie Beach Monitoring and Notification Program			-	286,715	313,485	35,137
Passed Through the Pennsylvania Department of Health						
West Nile Virus Control Program						
Contract Period 01/01/2010 to 12/31/2010	4100051983	66.472	(5,341)	5,341	-	-
Contract Period 01/01/2011 to 12/31/2012	4100055349	66.472	-	65,076	74,149	9,073
Total West Nile Virus Control Program			(5,341)	70,417	74,149	9,073
Total CFDA # 66.472			(5,341)	357,132	387,634	44,210
US Department of Commerce						
Passed Through Pennsylvania Department of Environmental Protection						
Coastal Zone Management						
	4100051788	11.419	(24,713)	253,101	362,764	134,376
Total CFDA # 11.419			(24,713)	253,101	362,764	134,376
Total Environmental Protection Agency			(30,054)	610,233	750,398	178,586
U.S. Department of Transportation						
Passed Through the Pennsylvania Department of Transportation:						
Long Range Transportation Plan (LRTP)						
7/1/2010 to 6/30/2011	ME 520897-1	20.205	(6,196)	20,152	13,956	-
7/1/2010 to 6/30/2012			-	7,089	13,508	6,419
Transpiration Improvement Program (TIP)						
7/1/2010 to 6/30/2011	ME 520897-1	20.205	(1,675)	9,327	7,652	-
7/1/2010 to 6/30/2012			-	3,704	7,507	3,803
Congestion Management Program (CMP)						
7/1/2010 to 6/30/2011	ME 520897-1	20.205	(438)	1,897	1,459	-
7/1/2010 to 6/30/2012			-	-	-	-
Intermodal Management System (IMS)						
7/1/2010 to 6/30/2011	ME 520897-1	20.205	(2,538)	7,668	5,130	-
7/1/2010 to 6/30/2012			-	-	-	-
Public Transit System						
7/1/2010 to 6/30/2011	ME 520897-1	20.205	(8,989)	27,074	18,085	-
7/1/2010 to 6/30/2012			-	-	-	-
Project Development & Delivery						
7/1/2010 to 6/30/2011	ME 520897-1	20.205	(21,722)	57,299	35,577	-
7/1/2010 to 6/30/2012			-	29,965	58,670	28,705
Highway Performance Monitoring System (HPMS)						
7/1/2010 to 6/30/2011	ME 520897-1	20.205	(2,101)	4,021	1,920	-
7/1/2010 to 6/30/2012			-	319	1,967	1,648
Traffic Monitoring System (TMS/H)						
7/1/2010 to 6/30/2011	ME 520897-1	20.205	(489)	7,132	6,643	-
7/1/2010 to 6/30/2012			-	319	686	367
Data Analysis Tools						
7/1/2010 to 6/30/2011	ME 520897-1	20.205	(10,998)	39,998	29,000	-
7/1/2010 to 6/30/2012			-	14,448	28,594	14,146
Program Administration						
7/1/2010 to 6/30/2011	ME 520897-1	20.205	(3,497)	11,307	7,810	-
7/1/2010 to 6/30/2012			-	3,913	8,111	4,198
Program Coordination						
7/1/2010 to 6/30/2011	ME 520897-1	20.205	(5,535)	16,717	11,182	-
7/1/2010 to 6/30/2012			-	5,319	10,775	5,456
Twelve Year Transportation Program						
7/1/2010 to 6/30/2011	ME 520897-1	20.205	(307)	1,424	1,117	-
7/1/2010 to 6/30/2012			-	-	-	-
Special Projects						
7/1/2010 to 6/30/2011	ME 520897-1	20.205	(15,460)	149,566	134,106	-
7/1/2010 to 6/30/2012			-	-	-	-
Total PADOT Projects CFDA # 20.205			(79,945)	418,658	403,455	64,742
Seaway Trail						
	RA #010N19	20.205	(11,531)	11,531	-	-
Total Seaway Trail CFDA # 20.205			(11,531)	11,531	-	-
Bridge Inspection						
		20.205	(149,425)	149,425	227,187	227,187
Total Bridge Inspection CFDA # 20.205			(149,425)	149,425	227,187	227,187
Total CFDA # 20.205			(240,901)	579,614	630,642	291,929
Contract Period 10/01/2010 to 09/30/2011						
	CTSP-2011-Erie-00014	20.600	(22,480)	89,373	88,147	(21,254)
Contract Period 10/01/2011 to 09/30/2012						
	CTSP-2011-Erie-00005	20.600	-	-	23,839	23,839
Total CFDA 20.600			(22,480)	89,373	111,986	2,585
Total U.S. Department of Transportation			(171,905)	238,798	742,628	229,772

* Denotes tested as a Major Program

See Accompanying Notes to Schedules of Expenditures of Awards

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2011

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<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Grant Number</u>	<u>Federal CFDA Number</u>	<u>(Accrued) / Deferred Revenue at December 31, 2010</u>	<u>Federal Grants Receipts</u>	<u>Expenditures</u>	<u>Accrued / (Deferred) Revenue at December 31, 2011</u>
<u>US Department of Justice</u>						
<u>Passed Through Pennsylvania Commission on Crime & Delinquency</u>						
ARRA - JAG Grant Edward Byrne Memorial Justice Assistance Grant						
Total CFDA # 16.804	N/A	16.804	-	24,226	24,226	-
ARRA-Defense Counsel from Intake to Resolution						
Contract Period 10/01/2009 - 09/30/2011	2009-SU-B9-0014	16.803	(25,188)	82,021	56,833	-
Intensive and Aftercare Competency Development						
Contract Period 04/01/2009 - 03/31/2011	2008/2009-J-04-19872	16.540	(10,613)	12,213	1,600	-
Northwest PA Victim Awareness Training Grant	2009-J-04-20349	16.540	-	7,025	11,416	4,391
Total CFDA # 16.540			(10,613)	19,238	13,016	4,391
<u>Passed Through Pennsylvania Office of Community Oriented Policing Services</u>						
Alien Assistance Program	2010-AP-BX-0821	16.572	-	21,335	21,335	-
Total Department of Justice			(35,801)	146,820	115,410	4,391
<u>Federal Emergency Management Agency</u>						
<u>Passed Through the Pennsylvania Emergency Management Agency:</u>						
Emergency Management Performance Grant						
Contract Period 10/01/2010 to 09/30/2011	C2010-05	97.042	(18,767)	65,905	47,138	-
Contract Period 10/01/2011 to 09/30/2012	C2011-05	97.042	-	-	17,343	17,343
Total CFDA # 97.042			(18,767)	65,905	64,481	17,343
Homeland Security Grant Program						
Citizens Corporation Grant						
Contract Period 07/01/2007 to 06/30/2010	PEMA-07-Citizens Corp.	97.067	(2,523)	-	2,247	4,770
Contract Period 09/01/2011 to 08/31/2014	EMW-2011-SS-00092	97.067	-	91,782	55,931	(35,851)
Total CFDA # 97.067			(2,523)	91,782	58,178	(31,081)
Interagency Hazardous Materials Public Sector Training and Planning Grants						
Hazardous Materials Emergency Preparedness	HM-HMP-02010-10-01-00	20.703	-	3,877	3,877	-
Total CFDA # 20.703			-	3,877	3,877	-
Total Federal Emergency Management Agency			(21,290)	161,564	126,536	(13,738)
<u>U.S. Election Assistance Commission</u>						
Help America Vote Act						
HAVA	N/A	39.011	-	18,645	18,645	-
Help America Vote Act Requirements Payments						
HAVA	N/A	93.617	-	625	625	-
Total U.S. Election Assistance Commission			-	19,270	19,270	-
Total Federal Financial Assistance			\$ (7,457,583)	\$ 37,621,606	\$ 37,596,322	\$ 6,849,516

* Denotes tested as a Major Program

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2011

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<u>Program</u>	<u>Combined Federal/State Expenditures</u>
Child Support Enforcement	\$ 3,676,073
Children and Youth Programs	33,079,964 *
Medical Assistance Transportation	1,432,279
Mental Health/Mental Retardation	22,982,042
Local Management Agencies for Subsidized Child Day Care	23,505,208 *
Human Services Development Fund	521,195
Combined Homeless Assistance Program	<u>1,116,970</u>
Total Department of Public Welfare Expenditures	<u>\$ 86,313,731</u>

* Denotes major Pennsylvania Department of Public Welfare Program.

The 2011 threshold for determining Type A programs under the federal definition is \$1,127,890.
The amount expended under major Pennsylvania Department of Public Welfare programs for the year ended December 31, 2011 is \$56,585,172 or 65.56% of the total Pennsylvania Department of Public Welfare financial assistance.

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS
YEAR ENDED DECEMBER 31, 2011

NOTE 1: REPORTING ENTITY

The COUNTY OF ERIE (the "County") as the reporting entity for financial reporting purposes is defined in Note 1 to the County's financial statements. The Schedule of Expenditures of Awards includes only the expenditures of the primary government, except that it does not include the federal awards for its blended component unit, Erie County Care Management.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures are presented using the modified accrual basis of accounting, which is described in Note 1C to the County's financial statements. The information in this schedule is presented in accordance with the requirements of OMB circular A-133, Audit of States, Local Governments, and Non-profit Organizations.

NOTE 3: SUBRECIPIENTS

A significant portion of the federal awards are passed through subrecipients. The total amount provided to subrecipients for each federal program is not readily available.

NOTE 4: PROGRAM CLUSTERS

The following program clusters, as defined by OMB Circular A-133, were treated as a single program for determining major programs:

	<u>CFDA #</u>	
Emergency Food Assistance Program (administrative costs)	10.568	\$ 73,943
Emergency Food Assistance Program (food commodities)	10.569	<u>308,338</u>
Total		<u>\$ 382,281</u>
Child Care and Development	93.575	\$ 6,291,519
Child Care Mandatory and Matching and Development Funds	93.596	<u>3,337,118</u>
Total		<u>\$ 9,628,637</u>

COUNTY OF ERIE, PENNSYLVANIA
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS
YEAR ENDED DECEMBER 31, 2011

NOTE 5: RISK-BASED AUDIT APPROACH

The 2011 threshold for determining Type A and Type B Programs is \$1,127,890. The following Type A programs were audited as major:

<u>CFDA #</u>	<u>Program</u>
93.558	Temporary Assistance for Needy Families
93.658	Foster Care Title IV-E
93.659	Adoption Assistance Title IV-E
93.575	Child Care and Development Block Grant
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.667	Social Service Block Grant
93.959	Drug and Alcohol - Block Grant for the Prevention and Treatment of Substance Abuse

The following low-risk Type A Program were not audited as major:

<u>CFDA #</u>	<u>Program</u>
93.563	Child Support Enforcement
14.235	HUD -Supporting Housing Program
93.778	Medical Assistance Program

The following Type B program was audited as a major program:

<u>CFDA #</u>	<u>Program</u>
93.713	Child Care Development ARRA
10.561	Nutrition Assistance

The following Department of Public Welfare (DPW) Type A Programs were audited as major:

Local Management Agencies for Subsidized Child Day Care
Children and Youth Services

The amount expended under programs audited as major federal programs for the year ended December 31, 2011, totaled \$24,528,145 or 65.24% of total federal awards.

Zelenkofske Axelrod LLC

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTER BASED ON AN AUDIT OF FIANNCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Members of County Council
County of Erie, Pennsylvania

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of COUNTY OF ERIE, PENNSYLVANIA's, as of and for the year ended December 31, 2011, which collectively comprise the COUNTY OF ERIE, PENNSYLVANIA's basic financial statements and have issued our report thereon dated June 15, 2012. We did not audit the financial statements of the Erie County Gaming Revenue Authority, which represents 55.8%, 68.19% and 15.63%, respectively, of the assets, net assets, and revenues of the discretely presented Component Units. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Erie County Gaming Revenue Authority, is based solely on the report of the other auditor. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of Pleasant Ridge Manor and the Erie County Gaming Revenue Authority were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

Management of the COUNTY OF ERIE, PENNSYLVANIA is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered COUNTY OF ERIE, PENNSYLVANIA's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the COUNTY OF ERIE, PENNSYLVANIA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the COUNTY OF ERIE, PENNSYLVANIA's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

<u>Harrisburg</u>	<u>Lehigh Valley</u>	<u>Philadelphia</u>	<u>Pittsburgh</u>
830 Sir Thomas Court, Suite 100 Harrisburg, PA 17109 717.561.9200 Fax 717.561.9202	1101 West Hamilton Street Allentown, PA 18101-1043 610.871.5077 Fax 717.561.9202	2370 York Road, Suite A-5 Jamison, PA 18929 215.918.2277 Fax 215.918.2302	3800 McKnight E. Drive, Suite 3805 Pittsburgh, PA 15237 412.367.7102 Fax 412.367.7103

Zelenkofske Axelrod LLC

Members of County Council
County of Erie, Pennsylvania

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of COUNTY OF ERIE, PENNSYLVANIA's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as Findings 11-1 and 11-2 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the COUNTY OF ERIE, PENNSYLVANIA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

THE COUNTY OF ERIE, PENNSYLVANIA's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit COUNTY OF ERIE, PENNSYLVANIA's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the management, County Council and others within the entity of COUNTY OF ERIE PENNSYLVANIA, federal awarding agencies, pass-through entities, the Pennsylvania Department of Public Welfare, and is not intended to be and should not be used by anyone other than these specified parties.

Zelenkofske Axelrod LLC

ZELENKOFKSKE AXELROD LLC

Pittsburgh, Pennsylvania
August 3, 2012

Zelenkofske Axelrod LLC

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133
AND THE PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE SINGLE AUDIT SUPPLEMENT

Members of County Council
County of Erie, Pennsylvania

Compliance

We have audited the compliance of COUNTY OF ERIE, PENNSYLVANIA with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Circular A-133 Compliance Supplement* and Pennsylvania Department of Public Welfare ("DPW") *Single Audit Supplement* that could have a direct and material effect on each of its major federal and Pennsylvania Department of Public Welfare ("DPW") programs for the year ended December 31, 2011. COUNTY OF ERIE, PENNSYLVANIA's major federal and Pennsylvania Department of Public Welfare programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and Pennsylvania Department of Public Welfare programs is the responsibility of COUNTY OF ERIE, PENNSYLVANIA's management. Our responsibility is to express an opinion on COUNTY OF ERIE, PENNSYLVANIA's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *"Audits of States, Local Governments, and Non-profit Organizations"* and the *Pennsylvania Department of Public Welfare Single Audit Supplement*. Those standards, OMB Circular A-133, and the Pennsylvania Department of Public Welfare *Single Audit Supplement* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on major federal and DPW programs occurred. An audit includes examining, on a test basis, evidence about COUNTY OF ERIE PENNSYLVANIA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of COUNTY OF ERIE, PENNSYLVANIA's compliance with those requirements.

As described in Findings 11-1 and 11-2 in the accompanying Schedule of Findings and Questioned Cost, the COUNTY OF ERIE, PENNSYLVANIA did not comply with the requirements regarding Subrecipient Monitoring that are applicable to its major Federal and Pennsylvania Department of Public Welfare programs listed in the respective findings. Compliance with such requirements is necessary, in our opinion, for COUNTY OF ERIE, PENNSYLVANIA to comply with the requirements applicable to those programs.

In our opinion, except for the noncompliance described in the preceding paragraph, the COUNTY OF ERIE, PENNSYLVANIA, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal and Pennsylvania Department of Public Welfare programs for the year ended December 31, 2011.

<i>Harrisburg</i>	<i>Lehigh Valley</i>	<i>Philadelphia</i>	<i>Pittsburgh</i>
830 Sir Thomas Court, Suite 100 Harrisburg, PA 17109 717.561.9200 Fax 717.561.9202	1101 West Hamilton Street Allentown, PA 18101-1043 610.871.5077 Fax 717.561.9202	2370 York Road, Suite A-5 Jamison, PA 18929 215.918.2277 Fax 215.918.2302	3800 McKnight E. Drive, Suite 3805 Pittsburgh, PA 15237 412.367.7102 Fax 412.367.7103

Zelenkofske Axelrod LLC

Members of County Council
County of Erie, Pennsylvania

Internal Control Over Compliance

Management of COUNTY OF ERIE, PENNSYLVANIA, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and DPW programs. In planning and performing our audit, we considered COUNTY OF ERIE, PENNSYLVANIA's internal control over compliance with the requirements that could have a direct and material effect on a major federal or Pennsylvania Department of Public Welfare program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Pennsylvania Department of Public Welfare Single Audit Supplement but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of COUNTY OF ERIE, PENNSYLVANIA's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal or DPW program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a type of compliance requirement of a federal or DPW program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as Findings 11-1 and 11-2 to be material weaknesses.

The COUNTY OF ERIE, PENNSYLVANIA's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the COUNTY OF ERIE PENNSYLVANIA's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the management, County Council and others within the entity of the COUNTY OF ERIE, federal and state awarding agencies, pass-through entities, and the Pennsylvania Department of Public Welfare, and is not intended to be and should not be used by anyone other than these specified parties.

Zelenkofske Axelrod LLC

ZELENKOFSCHE AXELROD LLC

Pittsburgh, Pennsylvania
August 3, 2012

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2011

Section I - Summary of Auditors' Results:

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? ☒ yes ☐ no

Significant deficiency(ies) identified not considered to be material weaknesses?
☐ yes ☒ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? ☒ yes ☐ no

Significant deficiency(ies) identified not considered to be material weaknesses?
☐ yes ☒ none reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133,
Section .510(a) ☒ yes ☐ no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Program or Cluster</u>
93.558	Temporary Assistance for Needy Families
93.658	Title IV-E - Foster Care
93.659	Title IV-E - Adoption Assistance
93.575	Child Care and Development Block Grant
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
10.561	Nutrition Assistance Program
93.667	Social Services Block Grant
93.713	Child Care Development ARRA
93.959	Drug and Alcohol - Block Grant for the Prevention and Treatment of Substance Abuse
PA DPW	Local Management Agencies for Subsidized Child Day Care
PA DPW	Children and Youth Services

Dollar threshold used to distinguish between Type A and Type B programs: \$1,127,890

Auditee qualified as low-risk auditee? ☐ yes ☒ no

COUNTY OF ERIE, PENNSYLVANIA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
 YEAR ENDED DECEMBER 31, 2011

Section II – Financial Statement Findings

<u>Finding 11-1</u>	Subrecipient Monitoring Children and Youth: CFDA # 93.658, 93.659, 93.558, Children and Youth and DPW.
Criteria:	OMB Circular A-133 and the Pennsylvania Department of Public Welfare requires the County to receive and review audit reports of its providers.
Condition:	As a result of our testing we noted that 7 out 59 single audit reports had not been received for the fiscal year end June 30, 2011.
Cause:	The County does not have an adequate procedure in place for keeping track of the providers. The County does not have any method on enforcement to the providers for not following compliance procedures.
Effect:	The County is not in compliance with OMB Circular A-133.
Questioned Costs:	The amount of questioned costs, if any, is undeterminable.
Recommendation:	The County should develop procedures to ensure each provider submits an audit report. The County should have in place some method of enforcement to the provider for not following the required compliance procedures.
Management's Response:	The County currently tracks all audit reports that are to be received. A log is kept on all the financial audits received from the providers. Within this log any findings are recorded. Audits from providers are due within 9 months following the end of the fiscal year, or by March 31. We routinely make phone calls or e-mail the providers who have not turned in an audit in the allowable time frame. This log is also tracked. The County will begin to enforce the requirement of the provider turning the audit in on time by withholding payment to the provider until the audit is submitted. Provider audits have been delayed for the past few years due to the inability of the CYS's to provide the audit confirmation back to the provider in a timely manner along with the amount of Federal funding. This is due to the State's delay in finalizing provider contracts and the inability for CYS's to know the amount of the federal dollars received because CYS's can't file the Title IV-E claim timely.

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2011

<u>Finding 11-2</u>	Subrecipient Monitoring Children and Youth: CFDA # 93.658, 93.659, 93.558, Children and Youth and DPW.
Criteria:	OMB Circular A-133 and the Pennsylvania Department of Public Welfare requires the County also must have a monitoring program in place on the providers that are funded with federal and state funding.
Condition:	The Children and Youth Department does not have a monitoring program in place for the providers the County funds with federal and state funding.
Cause:	The County has no monitoring program set-up for review on the providers to ensure they are following the required compliance procedures.
Effect:	The County is not in compliance with OMB Circular A-133.
Questioned Costs:	The amount of questioned costs, if any, is undeterminable.
Recommendation:	The County should have a complete monitoring program in place to ensure each provider is following the federal, state and county requirements.
Management's Response:	The County is going to work on developing a comprehensive monitoring program for the CYS system. The first step is going to be to gather information from existing DHS monitoring programs and outside sources and start to modify for CYS. The administrative CYS group will have to design a monitoring tool that will allow CYS to meet this requirement. Once a tool is in place for monitoring a schedule will have to be developed to do site visits to the providers. These visits will ensure that providers are complying with their contract, including any additional federal, state, or county requirements. There will need to be documentation of the visits and any issues that were found and how they will be resolved.

COUNTY OF ERIE, PENNSYLVANIA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
YEAR ENDED DECEMBER 31, 2011

Section III - Federal and Pennsylvania Department of Public Welfare Awards
Findings and Questioned Costs

The following is a summary of Federal and Pennsylvania Department of Public Welfare findings. This finding is presented in detail in Section II – Financial Statement Findings.

<u>Finding Reference</u>	<u>Finding Summary</u>
11- 1	Subrecipient Monitoring
11- 2	Subrecipient Monitoring

COUNTY OF ERIE, PENNSYLVANIA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
YEAR ENDED DECEMBER 31, 2011

The summary which follows indicates the current year status of findings identified in the prior year Single Audit Report

<u>Prior Audit Finding</u>	<u>Description</u>	<u>Current Year Status</u>
2010-1	<u>Allowable expenditures not authorized</u>	Resolved
2010-2	<u>Allowable expenditures not authorized</u>	Resolved

Zelenkofske Axelrod LLC

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES TO THE FINANCIAL SCHEDULES AND EXHIBITS REQUIRED BY THE PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE

Members of County Council
County of Erie, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by the Commonwealth of Pennsylvania, Department of Public Welfare (DPW) and COUNTY OF ERIE, PENNSYLVANIA solely to assist you with respect to the financial schedules and exhibits required by the DPW Single Audit Supplement for the fiscal year ended June 30, 2011 and calendar year ended December 31, 2011. The COUNTY OF ERIE's management is responsible for the financial schedules and exhibits required by the DPW Single Audit Supplement. This engagement to apply agreed-upon procedures was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of DPW and the management of the COUNTY OF ERIE. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for to which this report has been requested, or for any other purpose.

The procedures and associated findings are as follows:

- (a) We have verified by comparison of the amounts and classifications that the supplemental financial schedules listed below, which summarize amounts reported to DPW for fiscal year ended June 30, 2011, (December 31, 2011 for Exhibit A-1 as permitted by DPW), have been accurately compiled and reflect the audited books and records of COUNTY OF ERIE. We have also verified by comparison to the example schedules that these schedules are presented, at a minimum, at the level of detail and in the format required by the DPW Single Audit Supplement pertaining to this period.

<u>Program Name</u>	<u>Number</u>	<u>Referenced Schedule/ Exhibit</u>
Title IV-D Child Support Enforcement	A-1(a)	Summary of Expenditures
Children and Youth	I	Schedule of Revenues and Expenditures County Children and Youth Program
Medical Assistance Transportation	III	Schedule of Revenues and Expenditures
Medal Health/Mental Retardation	IV(a)MH	Schedule of Revenues, Expenditures, and Carryover Funds -MH
	IV (b) MH	Report of Income and Expenditures - MH
	IV(c) MH	Schedule of Revenues, Expenditures, and Carryover Funds -MR
	IV (d) MR	Report of Income and Expenditures - MR
	V (a) EI	Schedule of Revenues, Expenditures, and Carryover Funds - EI
	V (b) EI	Report of Income and Expenditures -EI

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Zelenkofske Axelrod LLC

Members of County Council
County of Erie, Pennsylvania

<u>Program Name</u>	<u>Number</u>	<u>Referenced Schedule/Exhibit</u>
Child Care Information Services (Day Care)	VIII	Recap Report
	XVIII	Budget Summary and Detailed Admin. Expense Reports, Recap Summary Report
Combined Homeless Assistance	XIX	Schedule of Revenues and Expenditures

- (b) We have inquired of management regarding adjustments to reported revenues or expenditures which were not reflected on the reports submitted to DPW for the period in question.
- (c) The processes detailed in paragraphs (a) and (b) above disclosed no adjustments and/or findings.

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Erie County Council and the Pennsylvania Department of Public Welfare should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes, and is not intended to be and should not be used by anyone other than these specified parties.

Zelenkofske Axelrod LLC

ZELENKOFSCHE AXELROD LLC

Pittsburgh, Pennsylvania
August 3, 2012

COUNTY OF ERIE, PENNSYLVANIA
SUMMARY OF EXPENDITURES - TITLE IV-D CHILD SUPPORT ENFORCEMENT PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2011

	Single Audit Expenditures					Reported Expenditures					Single Audit Over(Under) Reported				
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)
	Total	Unallowable	Incentive Paid Costs	Net (A-B-C)	FPP	Amount Paid (D x E)					Total	Unallowable	Net (A-B)	FPP	Amount Paid (D x E)
Calendar Quarter Ended 9/30/11															
Salary/Overhead (Exclude Blood Tests)	\$ 1,257,412	\$ 30,697	\$ 237,007	\$ 989,708	66%	\$ 653,207					\$ -	\$ -	\$ -	66%	\$ -
Fees/Costs	7	-	-	7	66%	5					-	-	-	66%	-
Interest/Program Income	23,333	579	-	22,754	66%	15,018					-	-	-	66%	-
Blood Testing Fees	4,147	-	-	4,147	66%	2,737					-	-	-	66%	-
Subtotal (1-2-3-4)	1,229,925	30,118	237,007	962,800		635,448					-	-	-		
Blood Testing	8,384	-	-	8,384	66%	5,533					-	-	-	66%	-
ADP	734	18	-	716	66%	473					-	-	-	66%	-
Net Total (5+6+7)	\$ 1,239,043	\$ 30,136	\$ 237,007	\$ 971,900		\$ 641,454					\$ -	\$ -	\$ -		\$ -
Calendar Quarter Ended 6/30/11															
Salary/Overhead (Exclude Blood Tests)	\$ 1,287,573	\$ 31,322	\$ 109,030	\$ 1,147,221	66%	\$ 757,166					\$ -	\$ -	\$ -	66%	\$ -
Fees/Costs	5	-	-	5	66%	3					-	-	-	66%	-
Interest/Program Income	23,480	581	-	22,899	66%	15,113					-	-	-	66%	-
Blood Testing Fees	3,617	-	-	3,617	66%	2,387					-	-	-	66%	-
Subtotal (1-2-3-4)	1,260,471	30,741	109,030	1,120,700		739,662					-	-	-		
Blood Testing	8,544	-	-	8,544	66%	5,639					-	-	-	66%	-
ADP	743	18	-	725	66%	479					-	-	-	66%	-
Net Total (5+6+7)	\$ 1,269,758	\$ 30,759	\$ 109,030	\$ 1,129,969		\$ 745,780					\$ -	\$ -	\$ -		\$ -
Calendar Quarter Ended 9/30/11															
Salary/Overhead (Exclude Blood Tests)	\$ 1,225,336	\$ 30,030	\$ 109,274	\$ 1,086,032	66%	\$ 716,781					\$ -	\$ -	\$ -	66%	\$ -
Fees/Costs	6	-	-	6	66%	4					-	-	-	66%	-
Interest/Program Income	23,998	599	-	23,399	66%	15,443					-	-	-	66%	-
Blood Testing Fees	2,581	-	-	2,581	66%	1,703					-	-	-	66%	-
Subtotal (1-2-3-4)	1,198,751	29,431	109,274	1,060,046		699,630					-	-	-		
Blood Testing	6,720	-	-	6,720	66%	4,435					-	-	-	66%	-
ADP	729	18	-	711	66%	469					-	-	-	66%	-
Net Total (5+6+7)	\$ 1,206,200	\$ 29,449	\$ 109,274	\$ 1,067,477		\$ 704,535					\$ -	\$ -	\$ -		\$ -
Calendar Quarter Ended 12/31/11															
Salary/Overhead (Exclude Blood Tests)	\$ 1,174,440	\$ 29,002	\$ 108,436	\$ 1,037,002	66%	\$ 684,421					\$ -	\$ -	\$ -	66%	\$ -
Fees/Costs	7	-	-	7	66%	5					-	-	-	66%	-
Interest/Program Income	22,785	574	-	22,211	66%	14,659					-	-	-	66%	-
Blood Testing Fees	2,429	-	-	2,429	66%	1,603					-	-	-	66%	-
Subtotal (1-2-3-4)	1,149,219	28,428	108,436	1,012,355		668,154					-	-	-		
Blood Testing	5,888	-	-	5,888	66%	3,886					-	-	-	66%	-
ADP	784	20	-	764	66%	504					-	-	-	66%	-
Net Total (5+6+7)	\$ 1,155,891	\$ 28,448	\$ 108,436	\$ 1,019,007		\$ 672,545					\$ -	\$ -	\$ -		\$ -

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF REVENUES AND EXPENDITURES - COUNTY CHILDREN AND YOUTH PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	A Grand Total	B Program Income	C Federal Title IV-E	D Federal TANF	E Federal Title XX	F Federal Title IV-B	G Medical Assist.	I Net Total	J State Act 148	K Local Share
Net Child Welfare Expenditures										
01. 100% Reimbursement	\$ 785,569	\$ -	\$ 135,000	\$ -	\$ -	\$ -	\$ -	\$ 650,569	\$ 650,569	\$ -
02. 90% Reimbursement	2,183,909	27,167	311,165	-	-	-	-	1,845,577	1,661,019	184,558
03. 80% Reimbursement	29,624,814	480,747	7,146,151	1,353,863	260,799	143,800	215,697	20,023,757	16,019,004	4,004,753
04. 60% Reimbursement	4,663,486	93,507	592,490	-	-	-	12,924	3,964,565	2,378,740	1,585,825
05. 50% Reimbursement	2,063,955	123,558	-	-	-	-	-	1,940,397	970,199	970,198
06. Total Net Child Welfare Exp	39,321,733	724,979	8,184,806	1,353,863	260,799	143,800	228,621	28,424,865	21,679,531	6,745,334
YDC/YFC Placement Costs										
07. 60% DPW Participation	2,178,712	7,259	-	-	-	-	-	2,171,453	1,302,872	868,581
08. Non Reimbursable Expenditures	102,903	-	-	-	-	-	-	102,903	-	102,903
09. Total Expenditures	\$ 41,603,348	\$ 732,238	\$ 8,184,806	\$ 1,353,863	\$ 260,799	\$ 143,800	\$ 228,621	\$ 30,699,221	\$ 22,982,403	\$ 7,716,818

10. IL Grant Funds Reported:

	\$ -	12. Total Title IV-D Reported	\$ 350,321	13. Total Title IV-D for IV-E Elig. Children	\$ 47,649
11. Total HSDF Used for Child Welfare					
14. State Act 148 (Line 6)	\$ 21,679,531	15. State Act 148 Allocation	\$ 21,873,076	16. Adj. State Share (Lower of 14 or 15)	\$ 21,679,531

Subsidized Permanent Legal Custodianship
SPLC

Total Subsidies
489,055

Number of Days
22,595

Number of Children
88

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF REVENUES AND EXPENDITURES
MEDICAL ASSISTANCE TRANSPORTATION SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Page 27

Exhibit III

	<u>Reported</u>	<u>Actual</u>
Service Data:		
Expenditures		
Group I Clients	\$ 1,695,435	\$ 1,695,435
Group II Clients	<u>34,607</u>	<u>34,607</u>
Total Expenditures	<u>\$ 1,730,042</u>	<u>\$ 1,730,042</u>
Allocation Data:		
Revenues		
Department of Public Welfare	\$ 1,729,901	\$ 1,729,901
Interest Income	<u>141</u>	<u>141</u>
Total Revenues	<u>1,730,042</u>	<u>1,730,042</u>
Funds Expended		
Operating Costs	1,410,141	1,410,141
Administrative Costs	<u>319,901</u>	<u>319,901</u>
Total Funds Expended	<u>1,730,042</u>	<u>1,730,042</u>
Excess of Revenues Under Expenditures	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF REVENUE, EXPENDITURES, AND CARRYOVER FUNDS - MENTAL HEALTH PROGRAM
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Sources of DPW Funds	App	DPW FUNDS AVAILABLE			Cost Eligible for DPW Participation (4)	Balance of Funds (5)	CSR State		CSR - MAMIS Adjustments (6C)	Total Fund Balance (7)
		Carryover Funds (1)	Allotment (2)	Total Allocation (3)			Grant Fund Adjustments (6A)	Grant Fund Adjustments (6B)		
A. MH Services	10248	\$ 234,174	\$ 14,307,442	\$ 14,541,616	\$ 14,534,359	\$ 7,257	\$ -	\$ -	\$ -	\$ 7,257
B. Other State Funds										
1. Specialized Residences	10258	-	202,547	202,547	202,547	-	-	-	-	-
2. BH Initiative	10262	-	733,169	733,169	733,169	-	-	-	-	-
3. Total Other State		-	935,716	935,716	935,716	-	-	-	-	-
C. SSBG	70135	-	438,381	438,381	438,381	-	-	-	-	-
D. CMHSBG	70167	19,051	317,235	336,286	264,147	72,139	-	-	-	72,139
E. Other Federal Funds										
1. Maximizing Participation Project	70121	-	112,311	112,311	112,311	-	-	-	-	-
2. PATH Homeless.	70154	11,272	88,784	100,056	98,785	1,271	-	-	-	1,271
3. Capitalization of POMS	70522	39,715	90,000	129,715	-	129,715	-	-	-	129,715
4. Hospital Prep Prog - Crisis Counseling	80222	124,436	31,300	155,736	114,796	40,940	-	-	-	40,940
5. Biotersm Hosp Prep/Pub Hth Prep	80343	-	-	-	-	-	-	-	-	-
6. Total Other Federal		175,423	322,395	497,818	325,892	171,926	-	-	-	171,926
F. Total		\$ 428,648	\$ 16,321,169	\$ 16,749,817	\$ 16,498,495	\$ 251,322	\$ -	\$ -	\$ -	\$ 251,322

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS - MENTAL RETARDATION SERVICES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Sources of DPW Funds		DPW FUNDS AVAILABLE			Cost Eligible	Balance	CSR State		CSR - Promise		Total
App	Carryover Funds	Allotment	Total Allocation	Participation	for DPW	of Funds	Grant Fund	Adjustments	Adjustments	Fund Balance	
	(1)	(2)	(3)	(4)		(5)	(6A)	(6B)	(6C)	(7)	
A. <u>MR Services</u>											
1. Community (NR/Res)	10255	\$ -	\$ 3,330,400	\$ 3,324,400	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ 6,000	
2. SSBG	70177	-	257,572	257,572	-	-	-	-	-	-	
3. Subtotal MR Services		-	3,587,972	3,581,972	6,000	-	-	-	-	6,000	
B. <u>Waiver</u>											
1. Waiver Administration	10255/70175	-	747,770	747,770	-	-	-	-	-	-	
2. Reserved	00002	-	-	-	-	-	-	-	-	-	
3. Subtotal Waiver		-	747,770	747,770	-	-	-	-	-	-	
D. <u>Total</u>											
		\$ -	\$ 4,335,742	\$ 4,329,742	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ 6,000	

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF REVENUE, EXPENDITURES, AND CARRYOVER FUNDS - EARLY INTERVENTION SERVICES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Exhibit V(a) EI

		DPW FUNDS AVAILABLE						
Sources of DPW Funds	App	Carryover Funds (1)	Allotment (2)	Total Allocation (3)	Cost Eligible for DPW Participation (4)	Balance of Funds (5)	Grant Fund Adjustments (6A)	Total Fund Balance (7)
A. EARLY INTERVENTION								
1. Early Intervention Services	10235	\$ 661,503	\$ 1,638,910	\$ 2,300,413	\$ 1,495,654	\$ 804,759	\$ -	\$ 804,759
2. Early Intervention - Training	10235	-	16,569	16,569	16,569	-	-	-
3. EI Administration	10235	-	99,787	99,787	99,787	-	-	-
4. Infants & Toddlers w/Disabilities (Part C)	70170	-	311,020	311,020	311,020	-	-	-
5. IT&F Waiver Administration	77875	-	114,014	114,014	-	114,014	-	114,014
6. Infants & Toddlers w/Disabilities (Part C) ARRA	10235/70184	-	5,574	5,574	5,574	-	-	-
7. Pelican Readines -Administration (Part C) ARRA	77875	-	36,174	36,174	-	36,174	-	36,174
8. Reserved	00001	83,572	(83,572)	-	-	-	-	-
9. Total Early Intervention		\$ 745,075	\$ 2,138,476	\$ 2,883,551	\$ 1,928,604	\$ 954,947	\$ -	\$ 954,947

COUNTY OF ERIE, PENNSYLVANIA
 REPORT OF INCOME AND EXPENDITURES - EARLY INTERVENTION PROGRAM
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Exhibit V(b) EI

	Admin Office	Early Intervention	Other	Supp. Coord.	Total
I. TOTAL ALLOCATION	\$ -	\$ -	\$ -	\$ -	\$ 2,883,551
II. TOTAL EXPENDITURES	\$ 116,448	\$ 4,229,332	\$ -	\$ 1,721,340	\$ 6,067,120
III. COSTS OVER ALLOCATION					
A. County Funded Eligible	-	-	-	-	-
B. County Funded Ineligible	-	-	-	-	-
C. Other Eligible	-	-	-	-	-
D. Other Ineligible	-	-	-	-	-
E. Total Costs Over Allocation	\$ -	\$ -	\$ -	\$ -	\$ -
IV. REVENUES					
A. Program Service Fees	-	-	-	-	-
B. Private Insurance Fees	-	-	-	-	-
C. Medical Assistance - MA EI	-	2,797,327	-	1,127,519	3,924,846
D. Medical Assistance - Admin	-	-	-	-	-
E. Earned Interest	-	-	-	-	-
H. Other	-	-	-	-	-
G. Total Revenue	\$ -	\$ 2,797,327	\$ -	\$ 1,127,519	\$ 3,924,846
V. DPW REIMBURSEMENT					
A. Base Allocation 90%	-	-	-	-	-
B. Base Allocation 100%	-	-	-	-	-
C. DPW Cat. Funding 90%	99,787	1,288,804	-	534,439	1,923,030
D. DPW Cat. Funding 100%	5,574	-	-	-	5,574
E. SSBG 90% Child	-	-	-	-	-
VI. COUNTY MATCH					
10% County Match	11,087	143,201	-	59,382	213,670
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	\$ 116,448	\$ 1,432,005	\$ -	\$ 593,821	\$ 2,142,274
VIII. TOTAL CARRYOVER					\$ 954,947

FINAL CCIS RECAP

CHILD CARE INFORMATION SERVICES - CHILD CARE NETWORK
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Exhibit VIII

	LOW INCOME		FORMER TANF		Total
	Admin.	Service	Admin.	Service	
<u>REVENUE</u>					
DPW Funds	\$ 1,292,789	\$ 10,944,087	\$ 624,765	\$ 5,743,863	\$ 18,605,504
Interest	-	115	-	57	172
Audit Adjustments	-	-	-	-	-
Overpayment	-	2,052	-	-	2,052
TOTAL REVENUE	1,292,789	10,946,254	624,765	5,743,920	18,607,728
<u>EXPENDITURES</u>					
Final Report Totals	1,235,048	10,899,650	616,565	5,752,284	18,503,547
Penalties	-	-	-	-	-
"Unrecorded June Admin/FSS"	-	-	-	-	-
TOTAL EXPENDITURES	1,235,048	10,899,650	616,565	5,752,284	18,503,547
TOTAL DUE TO DPW	\$ 57,741	\$ 46,604	\$ 8,200	\$ (8,364)	\$ 104,181

COUNTY OF ERIE, PENNSYLVANIA
FINAL CCIS RECAP

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CHILD CARE INFORMATION SERVICES - CHILD CARE NETWORK
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(Continued)

Exhibit VIII (Continued)

	TANF Training	TANF WS - Training	TANF Working	TANF WS - Working	TANF State MOE	Food Stamps	General Assistance	TANF Total
REVENUE								
DPW Funds	\$ 1,923,267	\$ 154,131	\$ 1,151,000	\$ 49,321	\$ 515,856	\$ 1,838,823	\$ 59,351	\$ 5,691,749
Interest	19	-	-	-	-	-	-	19
TANF/FS/GA SERVICE								
Total Service	1,923,286	154,131	1,151,000	49,321	515,856	1,838,823	59,351	5,691,768
TANF/FS/FSS								
DPW Funds	64,127	5,905	38,804	1,719	18,918	62,121	-	191,594
Audit Adjustments	-	-	-	-	-	-	-	-
Other (eg. Penalties)	-	-	-	-	-	-	-	-
Total FSS	64,127	5,905	38,804	1,719	18,918	62,121	-	191,594
TOTAL REVENUE	1,987,413	160,036	1,189,804	51,040	534,774	1,900,944	59,351	5,883,362
EXPENDITURES								
Final Report Totals	1,903,220	151,125	1,169,240	47,549	515,781	1,818,249	58,967	5,664,131
Carry Forward	-	-	-	-	-	-	-	-
TANF/FS/GA SERVICE								
Total Service	1,903,220	151,125	1,169,240	47,549	515,781	1,818,249	58,967	5,664,131
TANF/FS/FSS								
Final Report Totals	64,248	5,916	38,878	1,723	18,954	62,239	-	191,958
Carry Forward	-	-	-	-	-	-	-	-
Unrecorded June ADM	-	-	-	-	-	-	-	-
TOTAL FSS	64,248	5,916	38,878	1,723	18,954	62,239	-	191,958
TOTAL EXPENDITURES	1,967,468	157,041	1,208,118	49,272	534,735	1,880,488	58,967	5,856,089
SUBTOTAL-TANF/FA/GA	\$ 19,945	\$ 2,995	\$ (18,314)	\$ 1,768	\$ 39	\$ 20,456	\$ 384	\$ 27,273

COUNTY OF ERIE, PENNSYLVANIA
 BUDGET SUMMARY AND DETAILED ADMINISTRATIVE
 EXPENSE REPORTS LOW INCOME (FUND A)
 CHILD CARE INFORMATION SERVICES - CHILD CARE NETWORK
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Page 37
 Exhibit XVIII

<u>Budget Category</u>	<u>Budget Amount</u>	<u>Expenditures YTD</u>
Personnel		
Salaries	\$ 692,581	\$ 657,648
Benefits	390,909	389,998
Occupancy	105,127	93,466
Communications		
Telephone	9,898	7,205
Advertising	300	-
Printing	13,182	12,645
Postage	23,130	19,262
Supplies	8,553	8,188
Equipment	6,500	4,794
Travel	1,106	747
Training	872	330
Audit	2,305	2,305
Other:		
Equipment Rental/Repair	8,403	7,016
Consultants	827	794
Keystone Baby Vacancies	2,084	2,048
Technical Support	17,727	17,452
Uncollected Overpayments	1,200	-
Indirect Costs	14,529	11,150
TOTAL EXPENDITURES	<u>\$ 1,299,233</u>	<u>\$ 1,235,048</u>

COUNTY OF ERIE, PENNSYLVANIA
 BUDGET SUMMARY AND DETAILED ADMINISTRATIVE
 EXPENSE REPORTS FORMER TANF (FUND C)
 CHILD CARE INFORMATION SERVICES - CHILD CARE NETWORK
 FOR FISCAL YEAR ENDED JUNE 30, 2011

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Exhibit XVIII

Budget Category	Budget Amount	Expenditures YTD
Personnel		
Salaries	\$ 335,062	\$ 328,858
Benefits	195,184	195,019
Occupancy	47,551	46,738
Communications		
Telephone	3,963	3,603
Advertising	100	-
Printing	6,571	6,323
Postage	10,781	9,632
Supplies	5,396	4,095
Equipment	3,471	2,398
Travel	434	374
Training	470	165
Audit	1,247	1,153
Other:		
Equipment Rental/Repair	3,918	3,508
Consultants	404	397
Technical Support	8,978	8,727
Uncollected Overpayments	300	-
Indirect Costs	6,264	5,575
TOTAL EXPENDITURES	<u>\$ 630,094</u>	<u>\$ 616,565</u>

COUNTY OF ERIE, PENNSYLVANIA
BUDGET SUMMARY AND DETAILED ADMINISTRATIVE
EXPENSE REPORTS TANF
CHILD CARE INFORMATION SERVICES - CHILD CARE NETWORK
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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Exhibit XVIII (Continued)

Expenditures	Budget Amount	Expenditures YTD
Salaries/Wages	\$ 103,583	\$ 102,385
Employee Benefits	60,752	60,716
Occupancy	14,662	14,551
Telephone	1,318	1,122
Advertising	50	-
Printing	2,266	1,968
Postage	3,887	2,999
Supplies	1,485	1,275
Equipment	1,114	746
Travel	130	116
Training	325	52
Audit	394	359
Other:		
Equipment Rental/Repair	1,232	1,092
Technical Support	2,809	2,717
Consultants	155	124
Uncollected Overpayments	200	-
Indirect Costs	1,808	1,736
TOTAL EXPENDITURES	<u>\$ 196,170</u>	<u>\$ 191,958</u>

COUNTY OF ERIE, PENNSYLVANIA
YTD ADMINISTRATION/FAMILY SUPPORT SERVICES BUDGET SUMMARY
CHILD CARE INFORMATION SERVICES - CHILD CARE NETWORK
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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Exhibit XVIII

<u>CCIS</u>	<u>County</u>	<u>Funding Source</u>	Admin/Fam Support Services <u>Allocation</u>	YTD <u>Expenditures</u>
Erie	Erie	Low Income - Fund A	\$ 1,299,233	\$ 1,235,048
		Former TANF - Fund C	324,765	616,565
		TANF	191,595	191,958
		General Assistance/Work Support 2	-	-

COUNTY OF ERIE, PENNSYLVANIA
SCHEDULE OF REVENUES AND EXPENDITURES
COMBINED HOMELESS ASSISTANCE PROGRAM
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Page 41
Exhibit XIX

Sources of Funding	Total Available Funds
DPW Allocation (Must Equal Total County HAP Allocation)	\$ 741,604
Client Contributions	5,733
Other	258,245
Interest Earned	66
Total HAP Funding	\$ 1,005,648

Expenses	Bridge Housing	Case Management	Rental Assistance	Emergency Shelter	Innovative Supportive Housing	Total Expenses
On Behalf of Clients	\$ 7,396		\$ 337,013	\$ 50,795	\$ -	\$ 395,204
Personnel	55,131	\$ 128,957	118,620		-	302,708
Operating	11,345	208,769	50,541	-	-	270,655
Fixed Assets/Equipment	-	-	-		-	-
Subtotal	\$ 73,872	\$ 337,726	\$ 506,174	\$ 50,795	\$ -	\$ 968,567

County Administration	\$ 37,081
Total HAP Expenses	\$ 1,005,648
Total Unexpended Funds	\$ -